



U.S. Department of Justice

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EVENT: Guilty Plea

Defendant: Todd Halseth

Hubbard Lake Man Pleads Guilty to Investment Fraud

A resident of Hubbard Lake, Michigan pleaded guilty in federal court to two counts of wire fraud in connection with a scheme to defraud over 50 victims of over \$1 million in investment funds, United States Attorney Stephen J. Murphy announced today.

Entering the guilty pleas before United States District Judge Thomas Ludington in Bay City, Michigan, was Todd Halseth, 51, of Hubbard Lake, Michigan.

Murphy was joined in the announcement by the United States Secret Service, the Michigan State Police, the Michigan Department of Labor and Economic Growth, Office of Financial and Insurance Services, and the Tennessee Bureau of Investigation.

According to the Indictment, between May 8, 2002 and November 29, 2004, Halseth engaged in a scheme to defraud seventeen individuals in a fraudulent investment scheme. The indictment further alleges that Halseth personally solicited investments from individuals, describing himself as a venture capitalist, and that he would tell potential investors that an opportunity existed in "reverse merger" situations which were about to "go public". Halseth assured potential investors that the opportunity was "a sure thing" or words to that effect.

According to United States Attorney Murphy, "Investor fraud may be complex and difficult to unravel, but it is just as harmful to its victims as if they had been subject to a highway robbery. This case is another fine example of what our fine cadre of dedicated white-collar investigators can do, and I applaud the hard work of the U.S. Secret Service, the Michigan State Police, Michigan Department of Labor and Economic Growth and the Tennessee Bureau of Investigation, who assisted us in bringing the case to resolution."

The Court set the date for sentencing date for February 14, 2007.

The case was investigated by Special Agents of the United States Secret Service, the Michigan State Police, the Michigan Department of Labor and Economic Growth-Office of Financial and Insurance Services, and the Tennessee Bureau of Investigation. Halseth lived in the Friendsville, Tennessee area until sometime in approximately early 2005. The case was prosecuted by Assistant United States Attorney James A. Brunson.